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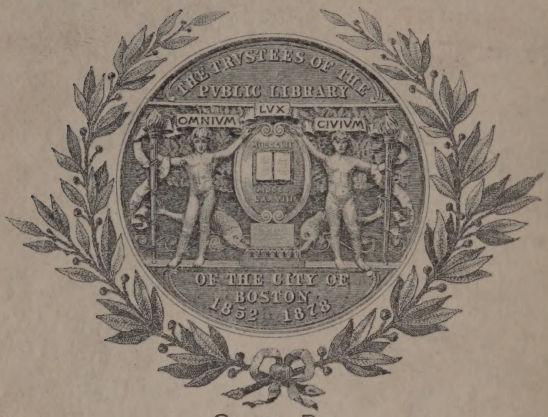

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THE WASTE OF MILITARISM

From the Report
of the
Massachusetts Commission on the
Cost of Living, 1910

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THE recent official report of the Massachusetts Commission on the Cost of Living — a commission created by the Massachusetts legislature for a thorough and impartial investigation of the pressing problem of the cost of living, and submitting its conclusions, in May, 1910, in an exhaustive pamphlet of 752 pages — was in no other respect so impressive as in the emphasis which it laid upon the extravagances and wastes of our social and political system as a main factor in the present burdensome cost of living. As the chief of all these wastes it arraigns the world's war system and the monstrous expenditures for armaments, in a special section which is reprinted in the following pages. It should produce a profound effect upon all serious minds, as the deliverance not of propagandists but of impartial scientific inquirers dealing simply with plain but startling facts.

The members of the Massachusetts Commission preparing this report were Robert Luce, chairman, Albion F. Bemis, Edward F. McSweeney, Mederic J. Laporte, and Henry Abrahams. The secretary of the Commission was Prof. F. Spencer Baldwin.

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THE WASTE OF MILITARISM

FROM THE REPORT OF THE

MASSACHUSETTS COMMISSION ON THE COST OF LIVING, 1910

In weighing the causes that have contributed to increase the cost of living, this commission is convinced that a most far-reaching influence in creating, fostering, and perpetuating high prices is militarism, with its incidents of war and waste and its consequences in taxation. The three great wars of the last decade and a half — the British-Boer, the Spanish-American, and the Russo-Japanese — took millions of men out of the productive activities of our civilization into the wasteful activities of warfare, diverted the energies of other millions from useful industry in shop and mill and farm, and transferred their skill and labor to the production of war equipment, material, food, and supplies for the armies in the field. This diversion of labor and capital from productive industry to waste and destruction, with the accompanying diminution of the necessaries of life and an inability to supply the world's demands, inevitably resulted in an advance of the prices of the commodities of common consumption.

In addition to these conditions, and incidental to them, the mania for militarism leads nations to plunge into debt in order to create and maintain armies that may never fight and navies that may never fire a hostile shot. This mania has piled up huge financial burdens in England, Germany, France, and other foreign countries, for meeting which the best energies of their statesmen are diverted to devise new methods of taxation. In the United States, as in Europe, the exactions of militarism and its burdens of a debt that gives opportunity to use the necessity to raise revenue for selfish purposes are prime factors in the economic waste that has produced high prices. This

commission does not care to discuss the philosophy of militarism. It simply desires to show that war in all its phases is one of the most serious influences in producing present high prices.

The term "militarism" includes all that enters into the creation, organization, and preparation of armies and navies, as well as the actual warfare for which they are designed. The question of national defense, its wisdom or unwisdom, we need not discuss at this point; we are concerned only with its existence, its influence on our economic activities, its cost to the nation, and its part in bringing about the conditions now under discussion.

As showing the enormous demands that militarism makes upon resources, let us first note the comparative expenditures of the national treasury for the thirty-one years from 1879 to 1909. The figures are given both in amounts and in percentages of national revenue as follows:

Army	$2,465,096,479	= 20.2 per cent
Navy	1,456,795,867	= 11.9 per cent
Pensions	3,499,883,832	= 28.7 per cent
Interest	1,309,026,795	= 10.7 per cent
Total	$12,210,499,778	= 71.5 per cent

The balance of the national income for those thirty-one years, amounting to $3,479,696,805, or 28.5 per cent of the whole, was spent upon the civil administration of national affairs, Indians, legislation, law, justice, customs service, and all other miscellaneous activities of the nation.

Thus during this period 71.5 per cent of the nation's income, almost three dollars out of every four of revenue, was spent on the destructive agencies of war, for the interest paid on the debts contracted for warlike purposes, and in pensions to the victims of war, — the army of surviving economic inefficients created by war.

The national debt of the United States is a monument to our past wars, and is as follows:

National Debt of the United States, November 1, 1909

Debt bearing interest	$913,317,490.00
Debt interest ceased	2,686,895.26
Debt non-interest-bearing	379,143,046.78
Total	$1,295,147,432.04
Treasury notes and other paper currency, secured by cash in the treasury, which may be regarded rather as a public convenience than a public debt	$1,366,277,869.00

Eliminating the nominal debt indicated by notes and paper currency in circulation, with other credits, and assuming the population of the United States to be 94,000,000, the per capita debt would amount to almost exactly $10.00.

In addition, there are debts of the states, counties, and cities of the country, about 25 per cent at least of which may be assumed to have been the contribution of the states to national militarism, the rest of the debt being supposedly for improvements representing economic values. These debts represent an average per capita of $22.40, which, added to the national per capita, yields a total debt of $36.80 per capita. The table follows:

Indebtedness of Cities, Counties, and States by Groups of States

Group	Indebtedness	Per Capita
North Atlantic States	$946,604,780	$37.28
South Atlantic States	159,834,215	22.10
North Central States	468,862,168	14.17
South Central States	173,776,068	16.14
Western Division States	115,118,595	13.85
Totals	$1,864,195,826	$22.40

In the one hundred and twenty-six years of our national existence, besides the war of the rebellion, we have had wars with three foreign powers, — England, Mexico, and Spain. Whether or not any or all of these wars were preventable is a matter of merely academic interest at this time. Though they covered only six years of our national life, and the rebellion

four, these ten years were responsible for our huge debts. It is worth recalling that during the life of the republic we have spent for all purposes the sum of $21,518,871,351, and of this amount $16,567,677,135 was devoted to militarism and its incidents and only $4,951,194,216 to the activities of peace. It is particularly worthy of note that the money spent on militarism by this republic in the one hundred and twenty-six years of its political life, $16,567,677,135, exceeds the gold production of the world since the discovery of America — thirteen and a half billions of dollars — by three billions. These figures are impressive.

In spite of our natural strategic advantages, our continental isolation, and practical economic independence, the United States has multiplied its expenditures for national defense two hundred times during a period when our population has increased only twenty-two times and our coast line lengthened three times. Our danger from attack has not increased; our wealth, numbers, and other circumstances would imply that it has diminished; and yet we are spending more for defense than France, only about $36,000,000 annually less than Germany, and $66,000,000 less than England, — countries lying at the very heart of militarism, and all dependent on imports for part of their food supplies.

We cannot, in view of these considerations, escape the fact that militarism is a cause of enormous waste in this age. Its world-wide existence and character make it the most difficult of all problems to solve, just as the logic upon which its existence is based is the most intractable to combat and controvert. National honor and safety are the catchwords of a system that is bleeding the world to death; the former, shadowy though it may be, is more in evidence abroad than at home; and so far in the life of the republic the latter has been jeoparded more frequently by our inhabitants than by foreign foes. Nevertheless, the bogey of foreign aggression and invasion is periodically invoked to bolster up the system of militarism whenever it appears to need support and whenever the appropriations do

not meet the desires of those whose economic existence depends upon the production of the instrumentalities of war and waste.

The following figures, covering the period from 1793 to date, one hundred and seventeen years, incomplete as they are, make an impressive exhibit of the waste of life and treasure that militarism has brought to civilization:

Wars and their Cost

Dates	Countries engaged	Cost	Loss of Life	Armies in the Field
1793–1815	England and France	$6,250,000,000	1,900,000	3,000,000
1812–1815	France and Russia	450,625,000		1,500,000
1828	Russia and Turkey	100,000,000	120,000	
1830–1840	Spain and Portugal (civil war)	250,000,000	160,000	300,000
1830–1847	France and Algeria	190,000,000	110,000	150,000
1848	Revolts in Europe	50,000,000	60,000	
1845	United States and Mexico		10,000	90,100
1854–1856	England	371,000,000	609,797	1,460,500
	France	332,000,000		
	Sardinia and Turkey	128,000,000		
	Austria	68,600,000		
	Russia	800,000,000		
1859	France	75,000,000	24,000	128,000
	Austria	127,000,000		200,000
	Italy	51,000,000		50,000
1861–1865	The rebellion	5,000,000,000	294,400	2,041,600
			200,000	750,000
1864	Denmark, Prussia, and Austria	36,000,000		
1866	Prussia and Austria	330,000,000	57,000	639,000
1864–1870	Brazil, Argentine, and Paraguay	240,000,000	330,000	
1865–1866	France and Mexico	65,000,000	65,000	100,000
1870–1871	France	1,580,000,000	311,000	1,713,000
	Germany	954,400,006		
1876–1877	Russia	806,547,489	180,000	1,500,000
	Turkey	403,273,745		
1898	Spain and the United States	1,165,000,000	20,000	300,000
1900–1901	Transvaal Republic and England	1,000,100,000	91,000	400,000
1904–1905	Russia and Japan	2,500,000,000	555,900	2,500,000

Expense of wars, 1793–1860	$9,243,225,000
Expense of wars, 1861–1910	14,080,321,240
Total	$23,323,546,240
Loss of life, military service	5,098,097
Armies in the field	16,822,200

The figures are estimates, but estimates by trained scholars and statisticians; and they can, after all, represent only a small part of the loss of life and treasure.

The cost of the Napoleonic invasion of Russia in 1812, and the subsequent wars which ended in the overthrow of the Emperor of the French, are from figures given by Jean S. Bloch, and cover only the actual loans, issues of paper "assignats" to meet military expenses, and the English subsidies paid to Russia. The destruction of Moscow and the enormous waste in other directions are not calculated.

The waste and the loss which the Napoleonic era, including the French revolutionary, directory, and consular wars, inflicted on Italy, the Netherlands, the German kingdoms and principalities, Spain, Portugal, and Egypt have not been estimated; but economically, financially, and humanly they must have been enormous. Leroy Beaulieu states that the age of the revolution and the empire cost France $4,200,000,000; and up to the year 1799 her loss of men amounted to 1,500,000.

When the French Revolution became successful, the enormous public debt of France, in the neighborhood of a billion dollars, was wiped off the slate, ruining thousands who had invested in good faith, counting on the permanency of the French monarchy. The new rulers were wasteful and careless, and ruined trade and commerce for a time by war and financial ignorance. Napoleon brought order out of chaos, but his ceaseless warfare piled up debts. The public debt kept on increasing by leaps and bounds, mainly through militarism and war. Thus the French national public debt was, in:

1852	$1,103,200,000
1871	2,490,800,000
1876	3,981,800,000
1895	5,193,600,000
1906	5,665,134,825

It is worthy of remark that at the outbreak of the French Revolution France was paying out 80 per cent of her income

for military purposes and the debts contracted for wars. The French and Indian seven years' war cost France $472,000,000, and the war of American independence, waged for the colonies and against England, cost nearly as much, and eventually destroyed the monarchy.

The enormous national debt of England has been piled up almost exclusively by the constant wars, great and small, in which she has been engaged. The growth of this debt from its inception to date is interesting economically; it began, in England, practically with the establishment of a standing army of a permanent character. The following short table of English wars and debts is significant:

1689.	After expulsion of James II	$5,270,000
1713.	After War of Spanish Succession	268,400,000
1743.	After War of Austrian Succession	390,000,000
1756.	After French and Indian War	697,500,000
1783.	After American Revolution	1,190,000,000
1793.	Aften ten years of peace	1,140,000,000
1816.	After Napoleonic wars	4,380,000,000

The fact that in 1814 France was paying a sum of only $12,600,000 per annum in interest on her debt, while England was paying $160,000,000, is interesting not only as showing a higher financial skill by Napoleon in conducting his operations, but also as throwing a great light on the losses that must have come to the countries defeated and conquered by Napoleon, who made the conquered, where possible, pay the expenses and armies of the conqueror. Europe was destroying her resources and population; England was saved from bankruptcy by having the world on which to draw.

In 1800, while the ordinary administrative civil expenditures of this republic amounted to only $1,330,000, the expenditures for pensions and naval and military purposes reached the sum of $9,470,000. The country's debt in 1812 was about $45,200,000, but by the time the war with England closed it had been run up to $127,300,000. The country then settled down to the ways

of peace, industry, and trade in a national sense, our only trouble being petty Indian outbreaks, so that by the time of the Mexican war the national debt had been paid off.

The expenses of the government have since been constantly increasing; but although the extension of territorial settlement and the increase of population would have entailed increased expenses in the administration of public affairs, the largest item of expense has always been for military affairs, army and navy. The war of the rebellion, with its waste and loss, may have been preventable; we are to look at that tremendous contest simply from its economic side. Its effects on every phase of American life were far-reaching, and on none so impressive as on the economic side. Five years after its close the United States, in 1870, as a result of it, was paying out in interest charges alone twice as much as the whole cost of the government in 1860. Prior to the rebellion the budget of the army and navy amounted to $27,980,000, and, though the vast armies that had carried on the struggle had vanished and were absorbed into civil life, the army and navy in 1870 cost the country $79,430,000.

The following table of the indebtedness of the principal European countries and their dependencies is an impressive showing of the enormous capital taken from productive industry and the work of civilization and wasted in death and destruction. The debt thus piled up for war and waste remains a burden on the life of the world, — a burden calling every year for a huge interest payment of more than a billion dollars taken from the earnings of the nations. This is supplemented annually by many other billions to maintain huge armies and navies of men taken from industry, who are organized, trained, and maintained for the day when they will again be hurled at each other, to duplicate the destruction of the past and pile up new and heavier burdens upon the thrift and industry of the world.

Indebtedness of Nations, with Amount of Interest Payments, Computed up to the Year 1906

Country	National Debt	Annual Interest Payments
Austria-Hungary	$1,092,863,255	$48,214,794
Belgium	621,640,286	24,925,694
Denmark	64,231,713	2,197,120
France	5,655,134,825	237,855,497
French Algiers	6,323,838	737,440
German Empire	855,963,454	30,358,300
German States	2,957,356,846	120,537,100
Netherlands	458,069,211	14,718,505
Portugal	864,701,627	21,369,000
Roumania	278,249,239	16,086,604
Russia	4,038,199,722	172,385,884
Russia, Finland	27,073,900	1,205,734
Switzerland	19,787,648	1,037,642
Turkey	458,603,213	9,499,450
United Kingdom	3,839,620,745	150,295,210
British colonies	612,510,084	22,802,418
Spain	1,899,265,995	69,256,706
Italy	2,767,911,940	190,803,281
Totals	$26,517,504,541	$1,134,296,179

The table of prices computed by Professor Roland P. Falkner for the Aldrich report shows that the prices of food during the Mexican War period jumped about 8 per cent. During the Crimean War, when the wheat and grain markets of Russia were closed and exportation except by land practically stopped, food prices in 1853 went up 14 per cent and in 1854 20 per cent above those of 1852, while cloths and clothing advanced about 12 per cent.

In 1855 and 1856 the advance in food prices over 1852 was 25 per cent; and in 1857, a year of panic and industrial and business disturbance, prices rose again to 30 per cent above the year preceding the Crimean War. Prices dropped back again in 1858 and in 1859, but never to the 1852 standard. The level in 1860 was the normal, below which the 1861 prices dropped 5 per cent. Then came the war of the rebellion, with its waste, the sealing up of the South and its elimination from

the economic life of the country, — an era of vast borrowings and expenditures for purposes and materials that meant economic waste on a huge scale, disturbance of agriculture and destruction of the American marine and foreign commerce, the removal from all economic production of large armies of men, and the displacement of other armies of workers to supply their needs. To these were added the practical disappearance of gold as a circulating medium and the introduction of a depreciated currency. These evils were capped by a stoppage of immigration and a cessation of the opening up and productive settlement of our western lands.

Relatively to 1860, the normal year, the advances of prices of food and clothing were:

Year	Food	Clothing	Year	Food	Clothing
1862	10.4	24.1	1867	63.9	79.9
1863	33.0	91.6	1868	64.2	46.8
1864	65.8	160.7	1869	62.9	47.5
1865	116.5	199.2	1870	53.8	39.4
1866	73.6	126.6	1871	69.3	33.3

In those years food products were bought, sold, and paid for in the depreciated currency of the day.

In 1879, 1885, and 1886 food prices dropped below the normal of 1860, and clothing, except in 1880, was cheaper down to 1891 than before the war; but food prices never went back to ante-bellum rates. Industrial America developed more rapidly than pastoral and agricultural America during the seventies and eighties.

In 1900 Professor Falkner prepared tables of wholesale prices, based on the average of the nine quarterly prices from January, 1890, to January, 1892, which were used as the normal. The period covered was from January, 1890, to July, 1899, practically a period of peace, accompanied by a great agricultural and grain-growing development; a gradual decay or restriction of cattle ranching, incident to the occupation of homesteads by settlers; and the economic organization of the

packing and canning business controlling the meat supplies. The prices of food, clothing, fuel, and building materials during this decade show in wholesale prices a fairly level condition. The highest prices of foods were in April, 1891, when they were 4.8 per cent above normal; the lowest in July, 1896, when they were 25 per cent below normal, — doubtless the result of great harvests at home and abroad, and of the slow recovery from the industrial depression that had prevailed for several years. In 1896 was reached substantially the low limit of the recession of prices that began in 1873. In 1897 the upward tendency of prices began, as is shown elsewhere in this report. This tendency took on new momentum when the Spanish-American War broke out in the following year. High-price conditions were stimulated by the scarcity and artificial demand induced by that outbreak and by the British-Boer and Russo-Japanese conflicts, which came in rapid succession.

The fact that we are expending, during this fiscal year, seventy-two per cent of our aggregate revenue in preparing for war and on account of past wars, leaving only twenty-eight per cent of our revenue available to meet all other governmental expenditures, including internal improvements, the erection of public buildings, the improvement of rivers and harbors, and the conservation of our natural resources, is to my mind appalling. It should arrest the attention of the American people, and not only cause them to demand a decrease in these unnecessary war expenditures, but also prompt them to aid in every way possible in the creation of a public sentiment that would favor the organization of an international federation whose decisions and action in the peaceful settlement of controversies between nations would be recognized and accepted as the final determination thereof. If this were done, it would not necessarily mean the entire abandonment of armies and navies, but it would so far remove the possibility of international wars as to make unnecessary the expenditure of the stupendous sums which are now being collected from the people in the form of taxes and expended for the purpose of maintaining armed peace.

The money expended for this purpose is not the only measure of the cost of armed peace. Think for a moment of what the American people have lost during the past eight years in consequence of the increased expenditure of more than a billion dollars during that time for the purpose of preparing for war in order that war may be prevented. The most enthusiastic advocates of river and harbor improvements do not estimate that the cost of these improvements would exceed $500,000,000, only half the amount which we have collected in taxes from the people and expended in war preparation during the last eight years in excess of the amount expended for the same purpose during the eight years preceding 1898. The other half of this enormous increase might well have been expended in other directions which would have contributed to the permanent advancement of the vast and varied interests of ninety millions of people. —*From an Address by Hon. James A. Tawney, May 5, 1909.*

If a thousandth part of what has been expended in war and preparing its mighty engines had been devoted to the development of reason and the diffusion of Christian principles, nothing would have been known for centuries past of its terrors, its sufferings, its impoverishment, and its demoralization, but what was learned from history. — HORACE MANN

Were half the power that fills the world with terror,
Were half the wealth bestowed on camps and courts,
Given to redeem the human mind from error,
There were no need of arsenals or forts. — LONGFELLOW

The Report of the United States Treasurer for the Fiscal Year ending June 30, 1909, shows:

Expended for	Amount	Percentage of Total Expenditures	Percentage of Income
Army	$163,344,213	24.6	27.0
Navy	116,315,524	17.6	19.3
Army and Navy	$279,659,737	42.2	46.3
Past War (Pensions)	161,710,367	24.4	26.8
Total War Expenditures	$441,370,104	66.6	73.1
All Civil Purposes	220,954,338	33.4	36.6
Total Expenditures	$662,324,442	100.0	109.7

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